

The Abell Report

What we think about, and what we'd like you to think about

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Police Housing Incentives Could Encourage Police Officers To Move Into Baltimore City—Heightening Prospects For Reducing Crime and Increasing Citizen Satisfaction

Case Studies, Findings, Recommendations

ABELL SALUTES: Job Opportunities Task Force (JOTF) and Its Jump Start Program: “Everybody Can Use A Little Jump Start In Their Life”

At about 5:00 on an afternoon in 2005, Parnell Hall, Jr., a 44-year-old African American, happened to be on the Number 15 bus heading north on Gay Street, when he overheard two passengers talking to one another, “something about,” Parnell would recall years later, “what a “great organization ‘Jump Start’ is.” The speaker went on to say how the organization had got him a job and put him back on his feet. Parnell, a high school dropout and recently released from prison (five years), down on his luck and out of a job, seemingly getting nowhere, was none the less trying – taking classes at several job-training centers – had heard all he needed to hear. He leaped up from his seat and asked the speaker how to get in touch

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by Matt Van Itallie

This study analyzes incentives in place countrywide that are designed to encourage police officers to move into the communities they serve, and the applicability of such incentives to Baltimore City. In the case of Baltimore City, such housing incentives would likely lead to more police officers living in the City, with the implicit promise of reduced crime and increased citizen satisfaction.

Nearly 72 percent of Baltimore Police Department employees working in Baltimore City live outside of it. A greater number of officers live outside of the City than many other large police departments.

Interviews with Baltimore-area stakeholders suggest that it would be popular with residents to have more police officers live in Baltimore City. Although research suggests that many police officers are not interested in living in the City, especially in high-crime neighborhoods, interviews suggest that an increase in housing incentives could result in some officers moving to Baltimore.

For this study, a review of the liter-

ature—from academic, policy, and government sources, as well as news articles and other public websites—was conducted. Research topics included police effectiveness and evaluation, community policing, and housing incentives. From that review (citations on request), potential interviewees were identified and questionnaires developed. Twelve people were interviewed, representing multiple local and national perspectives.

An Explanation of Police Housing Incentives

Police housing incentives are a subset of *employer-assisted housing*, in which employers subsidize housing rentals or home ownership for their workers. *Residency requirements* are an alternative to optional housing incentives for some or all government employees, for reasons of public safety or protecting the city's tax base. Such a policy was in place, for example, for police officers and firefighters in Washington, DC, and until recently for all public employees in Cleveland. Residency requirements are unpopular with police officers and are not the focus of this study.

There are two main categories of housing incentives: *individual* and *general*. Individual incentives provide specific benefits to a particular employee, such as down-payment assistance. General incentives provide services or support to a group of employees, aiming to make it more likely that employees make a desired housing decision. An example of a general incentive is an information clearinghouse such as a website that provides “one-stop shopping” regarding housing opportunities.

Housing incentives can be targeted at renting or home purchase. Rental incentives are usually utilized by younger employees who have not yet decided whether to buy a home or where to “settle in.” As a result, rental housing incentives may allow these newer employees to “dip their toes” in a new city. Also, because the *immediately incurred* cost of renting a home is much lower than purchasing one, a rental financial incentive will create a larger discount than a home purchase incentive of equal size (e.g., \$1,000 off a \$12,000/year rental is an 8.3 percent reduction, while \$1,000 off a \$250,000 home purchase is 0.4 percent). Home ownership incentives, however, have the advantage of facilitating longer-term commitments to the city. Note, however, that under certain circumstances the *total long-term* cost of renting may be higher than purchasing, for example, during a period when sales prices drop and rents increase.

Department	# of Employees	% of all Employees
Departments with over 500 employees		
Police Department	3459	24%
Fire Department	1702	12%
DPW- Water and Waste Water	1504	10%
HLTH- Health Department	1030	7%
TRANS-Highways	838	6%
DPW-Solid Waste	727	5%
R&P-Recreation	575	4%
Housing & Community Dev	524	4%
Subtotal	10359	71%
All other Departments	4200	29%
Grand Total	14559	100%

Table 1: Comparison of number of employees in large Baltimore City departments (500 or more employees)

Police housing incentives are investments in one particular profession to strengthen a community. Possible benefits might include a decrease in crime, an increase in citizen satisfaction with police, and/or an increase in citizens’ feelings of safety in their neighborhoods. These police-related results can, in turn, improve outcomes for affected cities, such as increases to the total city population.

The Baltimore Police Department (BPD) has a \$360 million budget and 3,459 employees, making it the largest department in the City. These 3,459 police employees represent 24 percent of all city employees. Combined with the other seven city departments with 500 or more employees, these 10,359 employees

comprise 71 percent of all city employees. (Table 1)

Of the 3,459 employees, 28.2 percent (977) live in Baltimore, 62.3 percent (2,155) live in Maryland but not Baltimore, and 9.5 percent (327) live out of state, with some commuting from York, PA.

More members of the BPD live outside of Baltimore City than other large city departments, though at a percentage similar to the Fire Department (63.8 percent for the Fire Department vs. 71.8 percent for the Police Department), another large health and safety-related agency. (Table 2, see page 3)

Police leadership and other elected officials have identified a need for stronger police-community relations

Department	Number, Percent of Employees				% of employees		
	Total	In City	Not In City but in MD	Not in MD	In City	Not In City but in MD	Not in MD
Departments with over 500 employees							
Police Department	3459	977	2155	327	28.2%	62.3%	9.5%
Fire Department	1702	616	902	184	36.2%	53.0%	10.8%
DPW-Water & Waste Water	1504	1035	450	19	68.8%	29.9%	1.3%
HLTH-Health Department	1030	720	263	47	69.9%	25.5%	4.6%
TRANS-Highways	838	618	211	9	73.7%	25.2%	1.1%
DPWU-Solid Waste	727	617	89	21	84.9%	12.2%	2.9%
R&P Recreation	575	471	96	8	81.9%	16.7%	1.4%
Housing & Community Dev	524	378	139	7	72.1%	26.5%	1.3%
Subtotal	10359	5432	4305	622			
Other Departments	4200	2789	1290	121	66.4%	30.7%	2.9%
Total: All City Employees	14559	8221	5595	743	56.5%	38.4%	5.1%

Table 2: Percent of Baltimore City employees living in the City versus other jurisdictions

in Baltimore City. Recent efforts by the BPD include an increase in foot and bike patrols, additional training, and other measures.

Baltimore City Police Housing Relative to Other Jurisdictions

The following chart presents police department residence rates for several selected jurisdictions. It is based on the evidence collected for the report’s case studies (Atlanta, Chattanooga, and Detroit), from local jurisdictions, and from other cities identified during the research process (New York).

As the data show, Baltimore’s police department local residence rate is higher than Atlanta’s, but lower than New York City’s, Chattanooga’s, and Detroit’s—as well as Howard and Anne Arundel counties in the Baltimore region. (Table 3)

Housing in Baltimore

The 2011 Baltimore City Housing Market Typology grouped Baltimore neighborhoods into five primary categories: regional choice, middle-market choice, middle-market stressed, and distressed. This informa-

tion is provided because, as part of the conclusions, a neighborhood-specific strategy is recommended.

In the City, the median house price is \$115,000. This suggests that the “average” house is affordable for purchase in Baltimore City by a police

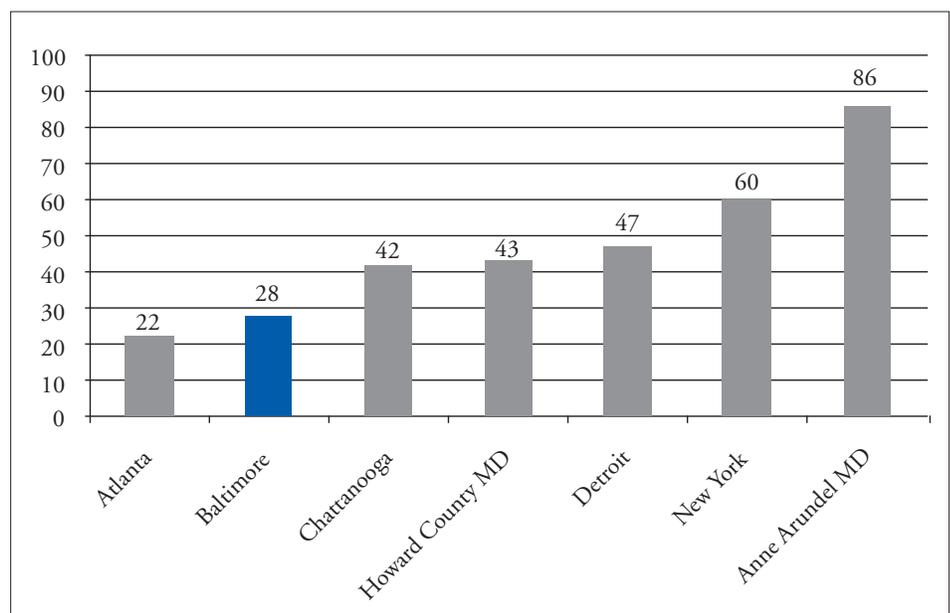


Table 3: Percent of police department living in the City

officer: A salary of \$33,178 is required, which is less than the salary of new recruits.

This finding may explain why housing affordability did not emerge as one of the leading causes expressed in interviews as to why police officers choose not to live in Baltimore City (see “Interview and Research Findings”). However, that does not mean that housing incentives will have no effect on housing “consumption.” Under economic theory, it is possible that a financial incentive may offset other factors, leading to an increase in the number of police officers living in the City.

Housing Incentives in Baltimore

More than 40 housing incentive programs are available to encourage citizens to live in Baltimore City in general and certain neighborhoods in particular. Many are generally available to police officers. They include:

- Home Purchase Loans
- Down Payments and Closing Costs
- Employer-Based Assistance
- Renovation/Rehabilitation Loans and Programs
- Historic Preservation
- Homeowner Tax Incentives

Baltimore also has general housing incentive support, provided by Live Baltimore. This organization provides education and marketing outreach to the public, and works with private-sector and public-sector partners to identify incentives for city living.

Current and Former Police Housing Incentives in Baltimore

There are several current and former police-specific incentive programs in Baltimore City.

Live Baltimore Assistance

This program provides for Live Baltimore staff to meet with newly hired police officers at the Police Academy, in an effort to create a user-friendly setting for the dissemination of information and for the exchange of ideas. Approximately 85 percent of the police officers who attend are in the 21 to 24-year-old, head-of-household category, so they decide where the family should live and are well positioned to act on new information. All new BPD recruits [200 in 2011; 240 estimated for 2012] participate in this program at the Academy.

Housing Fair

In August 2011, the Baltimore Police Department held a housing fair, to provide information to police officers about local housing opportunities. Developers provided information about their developments, and Live Baltimore provided information about housing incentive programs. All police officers were invited to attend, and Police Academy recruits were provided transportation.

This event was recognized as a success: 300 officers attended, a quarter of them requested information in one or more housing programs, and a developer reported very strong interest in some of his properties. Additional events are being planned.

Use of BPD Patrol Car

In the mid-1990s, the Police Department experimented with a program allowing officers who lived in the City to take a patrol car home. The rationale behind this was twofold: (1) there was a financial incentive to police officers, in the form of reduced commuting costs, and (2) having a patrol car on the street was seen as a

crime deterrent in the neighborhoods where officers lived. This program was discontinued due to budget shortfalls and a lack of car availability.

However, programs such as this are not particularly popular with police officers, for several reasons. First, the size of the financial incentive is not seen as largely beneficial. Second, the program is conditional; that is, it may only last for a short period of time and could be canceled due to budget shortfalls. Finally, there is concern that only lower-quality patrol cars will be made available.

“Courtesy Apartments”

Some private apartment-building owners also offer discounts to police officers to live in their buildings in Baltimore City. For example, Goodnow Hill and Franconia apartment buildings in Northeast Baltimore offer discounts to police. Earlier this year, Bayview Management was still looking for five City police officers to live at no cost in their buildings (one per unit, plus two in a larger complex), in exchange for signing a lease addendum in which they agree to “keep an eye out” on the property and report incidents. The exact number of police officers who have taken advantage of this program in Baltimore is not known. Because this information is unavailable leads to a conclusion that this information should be more closely tracked.

There are also similar incentives available in Baltimore County. As part of its “Community Heroes” program, the Fairways apartment complex in Towson, for example, offers health and safety workers discounts on their application fees and deposits, and Baltimore County police officers receive a 5 percent rent reduction.

Baltimore City Employee Program

Baltimore City police officers are eligible to participate in the City's employee assistance program, which offers a \$3,000 home purchase support to city employees living in the city. Over a recent 12-month period, five police officers took advantage of this program.

Good Neighbor Next Door

The US Department of Housing and Urban Development (HUD) offers a Good Neighbor Next Door program, which is available to police officers, health and safety workers, and elementary and secondary teachers. Under this program, single-family home purchasers receive a 50 percent discount. Further, buyers who qualify for an FHA-insured mortgage program must only make a down payment of \$100, and closing costs may be financed. However, only certain homes, in revitalization areas, are eligible. In Baltimore there are 431 such revitalization areas. As a requirement for joining this program, homebuyers must live in the property for at least three years. Nationally, 1,926 units were sold under this program in FY2010.

In Baltimore, five city police officers have taken advantage of this program in the last three years: one in 2009, two in 2010, and two in 2011. This compares to eight teachers (two, three, and three, respectively) who took advantage of the program in Baltimore City over the same time period. These five homes sold to police officers represent just under 1 percent of the 503 homes purchased in Baltimore City from the Federal Housing Administration (FHA) inventory over

the same time period.

These 503 homes are substantially less than the number of newly foreclosed homes in the City: 1,992 homes in 2011; 4,503 in 2010; and 6,138 in 2009.

Police and Teacher Neighborhood Development

A recently announced program involves a six-unit development in between the Remington and Charles Village neighborhoods. Seawall Development Corporation purchased these units with the intention of creating above-market houses to sell to police officers, teachers, and/or firefighters. With funding from The Abell Foundation, the Greater Home-wood Community Corporation is also offering forgivable loans to 10 Baltimore City teachers and police officers to encourage the purchase of fully renovated houses in the Remington neighborhood.

Case Studies

A total of six case studies are examined here to further illuminate the potential impact of police housing incentives on Baltimore City. Four of these studies involve police officers in Atlanta; Chattanooga; Washington, DC; and Detroit. A fifth study—of low-income housing incentives in Brown County, WI and St. Joseph County, IN—was chosen because it rigorously measures the economic impact of housing incentives. A sixth, Yale University, illustrates the potential long-term impact of a community-focused housing incentive program.

#1: Atlanta

The Atlanta Police Department offers a comprehensive set of *individual* financial incentive programs as

well as *general* housing assistance aimed at increasing the number of Atlanta police officers living in the city. Some of these programs are public (e.g., housing incentives managed by nonprofit organizations), while others are private (e.g., private real estate developers offering rent discounts). All are administered by the Atlanta Police Foundation (APF), a nonprofit organization.

The goal of these programs is to strengthen the quality of Atlanta, by increasing the number of police officers who live in the city, currently at 22 percent. As Dave Wilkinson, president of the APF, said, "It's a critical part of our strategy to create a safer city—to have police officers living in the city." Wilkinson suggested that more officers living in the city would deter crime, and would encourage police officers to stay with the city police and not take jobs with a suburban police force.

There are two primary components to Atlanta's police housing incentive programs. Part One is a \$1,000 cash incentive per police officer from the APF for relocating to the city. Renters and home purchasers are eligible. In some city neighborhoods, this is matched by an additional \$1,000 or \$2,000, paid for by community-improvement districts.

Part Two includes discounted housing inventory from stakeholders from various sectors of the housing industry (i.e., property managers, community groups, neighborhood developers, etc.). The most common example is a "courtesy unit," which is an apartment unit that a police officer can rent at a discount or no cost. In exchange, the police officer agrees to play a public safety role for the apartment complex in his/her off-duty time

such as serving as a liaison on safety issues. For example, an officer may informally investigate an incident on site; for a serious issue he/she would then call 911. Courtesy units are industry standard practice in Atlanta—most larger apartment complexes (100 units or more) have such a program. These arrangements are seen as a perk for residents: As one observer noted, “[having courtesy units] does something for the perception of safety, and makes residents feel good.”

The Atlanta Police Foundation website lists 11 apartment complexes currently offering a courtesy unit. This effort consists of inventory management, which includes keeping track of available programs and opportunities throughout the city for housing cost reductions (free or discounted units) for police officers; home purchase opportunities; and down-payment assistance programs, as well as other opportunities for which police officers may apply.

The primary audience for the APF’s programs are the new police recruits who are in the process of deciding where to live, and officers who currently live outside of the city who have a desire to live in the city they serve. In fact, the APF begins reaching out to new recruits by offering them hotel discounts in the city while they take their exams. Then the recruits are given information about housing opportunities through individual conversations and a publicly searchable website.

One success story for the APF involves a partnership with Friends of English Avenue, a community organization in an historic neighborhood facing high crime rates. The organiza-

tion spent approximately \$25,000 on renovating a home, which it offered as a no-cost rental to a police officer in exchange for serving as a community liaison, including attending public safety meetings and conducting limited patrols. A police officer and her family (including her husband, who is also a police officer) recently moved into the unit.

In terms of impact, 71 police officers have taken advantage of the cash incentive program since it began back in January 2011, including 61 in 2011 and 10 so far in 2012. This represents 4 percent of the total Atlanta police force staff and 6 percent of the nonresidents. In other words, since 2011, 6 percent of police officers who lived outside of Atlanta have taken advantage of this program.

The yearly cost of the program is \$177,927, which includes housing incentives, staff, and other programmatic expenses, but it does not include additional incentives from community improvement districts, which can range from \$0-2,000 per resident. Funding comes from corporate, foundation, and individual giving; the APF holds fundraising events to attract donors.

The Housing Program Manager for the Atlanta Police Foundation offered these guidelines to cities looking to create or strengthen efforts to have police officers live locally.

- 1) Maintain patience and a long-term point of view, as some police officers are skeptical about living in the city they serve;
- 2) Target marketing efforts on police officers who are “open minded” about living in the city, rather than trying to convince all police officers;
- 3) Collaborate with key partners,

including the decision-makers about housing units, who can offer courtesy units or other discounted financial terms;

- 4) Provide a comprehensive offering and give police officers choices, beyond one type of housing or one geographic area; and
- 5) Provide “one-stop shopping” and bring together multiple resources in one place, to make it easier for police officers to decide to live in the city.

#2: Chattanooga

In February 2012, Chattanooga announced details of a new police housing incentive.

There were several reasons to launch the new program: to increase the number of police officers living in the city, currently at 42 percent; to deter crime in high-crime neighborhoods; to lower the financial cost to officers, who currently are required to pay a higher per-mile fee for using their police cars for commuting if they live outside of the city; and to generally strengthen the city of Chattanooga. As the head of a local housing nonprofit said, in announcing the new program, “All kinds of studies have been done that if a police officer is living in a community, it makes the community safer overall.”

In addition, the city recognized the positive benefits of police officers living locally when they launched a previous police housing incentive program (discussed in more detail below), namely to strengthen community-police relations. According to a city council member, “It also is beneficial because people get to know the officers on a personal basis, and police officers are then not strangers, they’re your friends, they’re your neighbors.”

An editorial in the local newspaper praised the new plans and said the program “benefits officers and their families. It also is a boon to rebounding communities in the heart of the city where an officer in residence can provide a welcome sense of security.”

Details of the three-part plan were released earlier this year. First, the Chattanooga Police Fund for Homeownership was established by city government; the police department; and Chattanooga Neighborhood Enterprise, a housing-related nonprofit. The fund will provide a second forgivable mortgage to lower the cost of homeownership for police officers. This mortgage will provide assistance with down payments and closing costs, and will be provided as a forgivable, five-year loan of up to \$10,000. The budget for this program is \$250,000, with the potential for future increases if the program proves popular.

Second, Chattanooga Neighborhood Enterprise, which is also administering the program, will provide information to police officers about city-living opportunities. Third, additional neighborhood-specific incentives will be available but are still being developed. While the program is open to all officers, it is expected that cadets will be disproportionate users of the program.

The police officers’ response to the current program varied by what was proposed. They were open to incentive programs that, if well structured, could entice younger recruits to move to the city. However, encouraging officers to live in high-crime neighborhoods was viewed with substantial skepticism. As the head of the local police union observed: “They’ve tried

these incentive packages before, and they were to less-than-desirable areas.... No one wants to move to a less-than-desirable part of town.” In starker terms, he added an analogy for why police officers do not want to “live alongside the criminals they work to put in jail: Lion tamers don’t move into the cage.”

The current proposal has not been finalized yet, so it is too soon to measure its impact. However, *some* officers did take advantage of previous programs, including the “Officer Next Door” program. In the late 1990s, Chattanooga provided neighborhood-specific incentives to police officers to specifically encourage them to live in higher-crime neighborhoods. This HUD-backed program helped secure discount mortgage rates in HUD homes. The city also offered take-home patrol cars for locally living officers. Also, in 2009, Chattanooga authorized up to \$10,000 in homeownership incentives to police officers who moved to a small number of city neighborhoods that had a perception of being high-crime areas.

#3: Washington, DC

Housing incentives for public employees including police officers are available in Washington, DC. The programs were created in part out of concern that an insufficient number of DC police officers were living in the city. In 1995, for example, when one of the programs was created, two-thirds of the Metropolitan Police Department (MPD) officers lived outside of DC, disproportionately more than the half of all city employees who lived outside of the city. In addition, private real estate owners looked favorably upon police officers living in their buildings as a way to encourage other

residents to live there as well. As one observer noted, “For property managers..., [housing incentives are] more like an investment. They hope the program will help stem the tide of renters who are so frustrated by crime that they move to the suburbs. ‘We have some buildings in Northeast and Southeast that are completely empty,’ one manager said.”

Housing incentives for employees were also seen as a way to bolster the economic base of the city. During a 1997 discussion of mandatory housing requirements for city employees, a contemporary observer noted, “In the District, part of the problem is that there isn’t a sizable enough middle and professional class working and paying taxes.”

There are three primary types of incentives operating in DC. First, there are *hiring preferences* for officers and selected other city employees, who agree to live in the city for at least five years. Police officer candidates are evaluated more favorably if they reside locally. Specifically, five points are added to the rating and ranking score of each qualified applicant who claims a hiring preference. Candidates must agree to maintain residency for a period of five consecutive years from the effective date of their appointments, or are subject to termination.

Second, *rental discounts*, which offer reduced rent to police officers living in a certain location, are available. The program is named PLUS, Police & Landlords for Unity and Safety, and was created in 1995. Initially available to 50 police officers across the city via private-sector housing units as well as 12 units of public housing (not technically part of PLUS but operating in a similar way), one of the program’s goals was to encourage

police officers who were renting to become homeowners, thus strengthening community ties. As an elected official noted in announcing the program, “This is money in the pocket of officers and puts an officer in a neighborhood where people will love and respect him. That’s a win-win situation for everybody.”

Third, there is a *home purchase program*. The primary purchase program is the Metropolitan Police Housing Assistance Program (MPHAP), one of several Employer-Assisted Housing Programs (EAHP) offered by the city government. In addition to police officers, city workers including teachers, firefighters, and EMTs are also eligible for EAHPs.

While police department *staff* are technically eligible for a second program, the Home Purchase Assistance Program (HPAP), which helps low-to-moderate-income residents purchase a home by providing assistance with down payments and closing costs, police officers are not themselves eligible because their starting salaries exceed the maximum income requirements.

The primary program, MPHAP, offers a series of benefits, including:

- Matching down-payment funds of up to \$1,500 (\$500 for each \$2,500 saved by an employee);
- Single-family home mortgage financing;
- Deferred payment loans of up to \$10,000;
- An income tax credit of \$2,000 in the tax year of the purchase and the four succeeding tax years, subject to eligibility; and
- A property tax credit for five years,

declining from 80 percent in year one to 60 percent in year two, 40 percent in year three, and 20 percent in years four and five.

To be eligible, a police officer must be a full-time employee; be in good professional standing; have worked for the police force for at least one year; be a first-time homebuyer in the District; have at least \$2,500 of personal savings; have sufficient income to afford a mortgage from a private lender; and have a good credit rating.

The MPHAP involves several steps and is administered jointly by several organizations. Applicants must first complete a housing counseling session at one of six preapproved Community-Based Organizations (CBO). Applicants then submit the MPHAP application, which is reviewed by the Greater Washington Urban League (GWUL), a nonprofit social services and civil rights organization that manages 30 programs related to education, employment and training, housing, and community development. In addition to determining eligibility, the GWUL also determines the specific financial assistance amount, which is based on income, down-payment costs, and financing requirements.

#4: Detroit

In February 2011, Detroit announced an ambitious program, Project 14, to increase the number of police officers living in the city, currently at 47 percent. The project’s name is police terminology for “back to normal.”

The rationale for the program was to strengthen neighborhoods: Not only will police officers themselves contribute to the city’s revitalization, but by returning to the city, they make

it more likely that other residents will do so as well. As the Mayor said, in announcing the program, police officers “living in neighborhoods have the potential to deter crime, increase public safety, and improve relations between the community and our sworn officers.” An editorial in favor of the program noted, “[Mayor Dave] Bing is smart to focus on police officers—whose presence won’t just add population but will also increase at least the perception of safety—first in his quest to draw people back to Detroit. For some families, a police officer on the block in a new area might be the difference maker.”

The program—part of Detroit Works Project, a larger citywide plan to consolidate neighborhoods—has two parts. First, 200 homes are available for sale in two neighborhoods at a cost of \$1,000. The neighborhoods were selected “because of their stability, high-performing schools, variety of churches, open space, and recreation centers.” This price is similar to other area homes in need of renovation: In East English Village, one of the selected neighborhoods, many homes are available for between \$1,000 and \$10,000. Officers are required to live in the home and must repay the financial assistance if he/she sells to someone besides another police officer. Second, officers can receive up to \$150,000 for renovation projects.

Funding for the program, up to \$30 million [\$150,000 for 200 homes], comes from federal Neighborhood Stabilization Funds.

Organizations and stakeholders have been supportive of the program’s launch. As the editorial board of the *Detroit Free Press* noted, “Even if the Mayor gets just a handful of officers to take him up on this offer, it moves the

needle—on repopulation, on public safety, and land-use. The houses involved in the program are taxed—reverted properties held by the city. Just getting them occupied is a step forward.” Community residents and neighborhood association members also applauded the move. As William Barlage, the president of the East English Village Neighborhood Association, said, “For our area, it’s nice to have a police officer on the block... You’ll deter a lot of crime and everything else if you have people on the block in terms of houses being filled again.” One observer, however, noted that the low quality of the Detroit public schools may dissuade many officers from taking advantage of the program.

The initial impact of the program has been small. Six police officers took advantage of the program in the first year, or .11 percent of all police officers who live outside of the city. The Mayor’s office “acknowledged the program started slow” but noted that another “dozen officers and firefighters have signed up to begin the process.”

#5: Brown County, WI, and St. Joseph County, IN

A deep economic analysis of the impact of police housing incentives has not been identified. Some economic analyses have been conducted, however, on housing incentives generally. One particularly well-designed study is summarized here as a case study.

In the early 1980s, the U.S. Department of Housing and Urban Development (HUD) analyzed the effect of Housing Assistance Supply Experiment [HASE], part of the Experimental Housing Allowance

Program [EHAP], in two midwestern locations—Brown County, WI and St. Joseph County, IN—on housing consumption for low-income families.

The study looked at changes in housing consumption that included both the quality (e.g., standards of decency, safety, and sanitation of homes) and the quantity (amount of money spent). Recipients were given a housing allowance conditional on meeting certain standards, including a quality standard for their home. Twenty thousand households were ultimately eligible for the program. The allowance was equivalent to the cost of housing (based on market data analysis) minus 25 percent of household income.

The “bottom line” from this experiment that is relevant to police housing incentives is that well-designed housing incentives can have a positive effect on the desired policy goals. In this case, housing consumption, in terms of budget spent on housing, increased by 8 percent. The quality of housing also increased, as recipients used the vouchers to select higher-quality residences.

#6: Yale University

Yale University is an example of an employee housing incentive program with an 18-year track record. Started in 1994, the program has recently reached a milestone of working with 1,000 families. While not police-specific, this case study demonstrates the potential impact of a city-based housing incentive.

A significant rationale for the program was economic development—to help support New Haven in achieving economic vitality given the university’s role as an anchor institution.

As for the program’s specifics, the Homeownership Initiative created a Homebuyer Program, which provides eligible Yale employees with up to \$30,000 to purchase a home. The current program offers \$5,000 in the first year and then \$2,500 per year for up to 10 years, as long as the employee still works for Yale and lives in that building. Eligible employees are all university staff with permanent jobs that work at least 20 hours a week; employees must agree to own and live in a home in one of several neighborhoods that stretch across the city. Employees must continue to own and live in the home for the duration of the program and remain employed by the University. If employees do not live in the home for at least two years post closing, after committing to the program, they have to reimburse the university for the full amount for any and all payments received.

The project has been recognized as a success. In addition to serving a large number of participants, the university also pointed to citywide outcomes that it believes were achieved in part by the Yale housing program. For example, homes purchased through the program have been estimated at \$175 million relative to a total program cost of \$25 million. A variety of Yale employees have taken advantage of the program: 29 percent are faculty members, 27 percent are management and professional staff, 31 percent are clerical and technical staff, and 13 percent are service and maintenance staff.

The program may also have contributed to stronger “town-gown” relations, as program participants build greater ties with their new communities. As Ryan Wepler, a program recipient and homeowner in the neighborhood of Fair Haven, said,

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“We’re now active with our neighbors through the Chatham Square Neighborhood Association. Since we have two fellow Yale homebuyers nearby, the program strengthens bonds inside and outside work.”

Further, realtors “report[ed] that [the housing incentive program] is a factor in making New Haven an even more attractive place to buy for both Yale employees and others.” For example, Yale subsidized house purchases represented 12.5 percent of all residential sales and 14 percent of all sale value in 2010-11. A Yale spokesperson suggested that the housing program has been one of the factors contributing to an economically revived city, as

measured in part by community members who are increasingly active in civic affairs: “There certainly is a much more engaged and thick civic class that you see in New Haven.... This is more a place of choice than it had been.” The number of husband-wife families with young children living in the city has increased 9 percent between 2000 and 2010.

The program, in combination with other education, financial, and real estate investments that Yale has made within New Haven, appears to have contributed to stronger relationships with the city as well. As Mayor John DeStefano, Jr. said at the occasion of the 1,000th house purchase, “The Yale Homebuyer Program is just one example of the many positive

investments Yale University has made in its home town, and the city is better off for it.” In December, the university announced plans to extend the program another two years, to the end of 2013.

Summary of Program Impacts

The following table summarizes the identified impact of several housing programs discussed above. In addition to the intended audience of the program [program type], what the program does [program description], and how many people have participated in the program [program impact], the incentive is compared to the employee’s income. A “small” incentive means that the incentive is a small part of the employee’s income. (Table 4)

Name	Program Type	Program Description	Individual Incentive Size Relative to Income	Program Impact
Atlanta	Police Housing Incentive	Individualized incentives of \$1,000-\$3,000 and housing; individualized incentives in the form of apartment rental discounts; “inventory management” (information sharing).	Small	71 police officers in 14 months (61 in 2011 and 10 so far in 2012) received an individual incentive, representing 4% of all police officers, and 6% of police officers living outside of the city.
Chattanooga	Police Housing Incentive	Individualized incentives up to \$10,000 in loans; general incentives in the form of sharing information about city living; other incentives being considered.	Medium	Not identified yet; program just started; <12 police officers participated in previous program
Detroit	Police Housing Incentive	Individualized incentives of purchasing homes at a cost of \$1,000, and up to \$150,000 for renovation projects	Large	.11%, or 6 police officers in 1 year
Brown County, WI, and St. Joseph County, IN (HUD study)	Low-income families housing vouchers	Voucher equivalent to 75% of (low-income) family income	Large	8% increase in housing consumption (expenditure on housing)
Yale University	Employer assistance housing program	Individualized incentives of up to \$30,000 for home purchase and residence	Large	1,000 families, or approximately 8% of employees, over 19-year program length

Table 4: Summary of housing incentive case studies

Interview and Research Findings

This next section summarizes the major lessons learned from interviews with a range of Baltimore-area stakeholders. Where applicable, findings from other communities are also provided.

“It would be popular to have more police officers live in Baltimore.”

Interviews with a broad range of Baltimore-based stakeholders—including community members, government employees, and housing experts—indicate it would be broadly popular to have more police officers live in Baltimore. This is consistent with the research from other cities.

These sentiments can be grouped into three categories, from broadest support for city living for all to support for police officers in particular. Some interviewees’ comments fit into more than one category.

First, at the broadest level, some Baltimore advocates would welcome *people across all professions* to live in the city to support the tax base and contribute to city life generally. Sample comments in this category include:

- “It would be wonderful if more police officers lived in the city, as well as more people of all types of professions, not just police officers.”
- “It would be good to have as many employees as possible living in the city.”
- “A problem with programs aimed at police officers is that other city employees may complain ‘our work is just as important as theirs is.’”

Second, some expressed interest in a selected range of professions, in particular *city workers* and *health and safe-*

ty workers, including police officers, firefighters, nurses, and EMTs. The common rationale was that these professionals could provide assistance in an emergency situation. Teachers were also identified as a group that should be encouraged to live in the city.

Sample comments include:

- “There are several types of community members who would be valuable to be neighbors—such as nurses, firemen, as well as police. Not clear to me that police are particularly more valuable to a community than other safety workers.”
- “It would be good to have as many city employees as possible living in the city.”

This is consistent with evidence from other cities. A Cleveland resident, for example, interviewed at the time of the rescission of the mandatory residence requirement, reminisced happily about having safety officers living nearby to assist in a power outage.

Third, and most specifically, interviewees expressed particular interest in having *police officers* live in the city or their neighborhood in particular. Sample comments in this category include:

- “It would be good to have more police living in the city. It gives citizens a greater sense of safety. It humanizes police. It helps police understand what citizen concerns really are. It increases police interest in the community, and their affinity, and their investment. Police living locally personalizes people to police, and police to people.”
- “We would expect to see a general crime-deterrence effect of having adults in uniform live in the neighborhood.”

- “If you know police officers better you trust them more. I was recently on jury duty. The judge asked the potential jurors, ‘How many of you think that police officers lie?’ Many jurors raised their hands. If citizens knew police officers personally, because they lived in the city, I think they would have more trust in the police.”
- “A police officer who lives in a neighborhood could be an advocate for public safety for the neighborhood, with more credibility than an average citizen. His voice may carry more clout.”
- “It is good, conceptually, to have police living within the city—but I can understand why many do not.”

Several overlapping rationales were suggested, including:

- Police officers would be more effective at their jobs because they will build trust-based relationships with residents.
- Police officers would have more empathy and understanding toward city residents, and vice versa.
- Neighbors would have a greater sense of security knowing that police officers lived nearby, thus strengthening the neighborhood.
- The presence of a police officer would act as a crime deterrent.

One exception to the positive effects of police officers living in Baltimore involves skepticism among some residents regarding the highest crime neighborhoods. Some observers articulated that in these particular neighborhoods, police-community relationships are frayed, and that police officers living locally would not improve the situation. One observer likened the police-community rela-

tionships in such neighborhoods as “like oil and water.”

Many police officers are not interested in living in Baltimore City, particularly in high-crime neighborhoods.

There is broad consensus that police officers, in Baltimore and elsewhere, have concerns about living in the communities they serve. This is consistent with findings from other communities. The community recognizes this belief as legitimate.

Some of these reasons are *not police-specific*, and involve the quality of schools, levels of crime and perceptions of safety, and affordability of housing/taxes. These are also similar to other communities.

Sample comments in this category are:

- “Cops can’t afford to send their kids to private schools, and many of the public schools aren’t good enough... so cops with children have to move to the county.”
- “For some cops with school-age children, it is not a viable option to afford private school tuition.”
- “Police want to live in a decent neighborhood, like everybody else.”

Other reasons are *police-specific*.

Most fundamentally, police officers recognize that their profession puts themselves and potentially their families at risk. As a result, they prefer to live where they are less likely to have casual, nonprofessional interactions with the public they police.

At the strongest level, this was expressed [by civilians who have spo-

ken with police officers] as a “fear of retribution” against officers and/or their families. This perspective is pervasive, if varied in degree. This perspective is most strongly felt for high-crime neighborhoods.

A second police-specific reason is that city police officers are required to be partially on duty, ready to respond to emergency incidents and armed, while anywhere in the city. While interviewed police officers expressed willingness to serve and support their communities at all times, and provided evidence of off-duty police officers who have done so, they also acknowledged that city living would effectively expand their workday.

▲
There is broad consensus that police officers, in Baltimore and elsewhere, have concerns about living in the communities they serve.
▼

Not only does this skepticism of living in the city appear to be widespread among police officers, but community representatives recognize it as legitimate.

Sample quotes include:

- “There are legitimate reasons for why police officers living in the city would not be an easy sell.”
- “There are very legitimate reasons that police do not live in the city that they work that have nothing to do with schools.”
- “I’m sensitive to that, to police not

wanting to live in the neighborhood where you serve. There’s some validity to that.”

- “There should be a separation between where police work and where they live. In particular if the police officer is very active, and raising a family, he does not want to run into people he’s arrested.”
- “No way will police want to live in a high-crime neighborhood.”
- “If a police officer lives in the city, instead of putting in an eight-hour shift, his phone could be ringing all the time. Seems like extra work for police officers at their expense.”
- “If I were a police officer and lived in the city, I would never get away from policing.”
- “Many police officers never, ever, ever want to live where they work. They may run into people they’ve put in jail. They and their families may get targeted. Safety of family trumps.”

Note that this sentiment is not neighborhood-specific. In other words, police officers are skeptical of living anywhere in the city even apart from the district they currently patrol. This is in part due to the potential of reassignment as well as the assignments that are not neighborhood-specific (e.g., narcotics and undercover).

These comments are consistent with findings in other communities. When Cleveland lifted its requirement that city workers live in the city, for example, “Dozens of police officers at the downtown Justice Center roamed the corridors ... on cell phones, high-fiving each other... The police patrolmen’s union held a news conference praising the ruling and urging the city to adhere to it.”

It would be popular to increase incentives for police officers to live in Baltimore.

Stakeholders including police officers broadly expressed interest in a police housing incentive for Baltimore police officers. As one interviewee rhetorically asked, and then answered, “What is good about a police officer homeownership incentive program? The goals are good. The program is designed to deter crime.” Another interviewee said, “It’s okay to have a program that encourages police officers to live in the city, but don’t expect a large number of them to do that. Make the program available but have reasonable expectations.”

Police housing incentive programs in other cities have also received public support, including Detroit, New York, and Atlanta.

The only dissenting view from the national literature review came from community activists in Philadelphia who feared that incentives would contribute to gentrification and exclude longstanding residents. This was in response to a neighborhood-specific policy around the University of Pennsylvania.

Conclusions

Providing general and individualized housing incentives to police officers for city living would likely lead to more officers living in Baltimore.

It is likely that a police housing incentive would lead to more police officers living in the city. An analysis of housing incentives—including economic studies of low-income families, and statistics available from other police and nonpolice housing programs—indicates that they can

increase housing consumption. By extension, geographically targeted police housing incentives would increase the number of police officers living locally.

The program effects summarized above can be used to estimate the range of impacts of a police housing incentive in Baltimore.

- An incentive could have little or no effect on housing consumption, as was the case in Detroit and the earlier Chattanooga program.
- An incentive could lead to up to 6 percent of nonresident police officers moving to the city, or 150 officers, as was the case in Atlanta.
- An incentive could lead to up to 8 percent of nonresident police officers moving to the city, or 200 officers, as was the case in New Haven with Yale University employees purchasing homes.

However, the final impact on Baltimore is difficult to predict because it will vary substantially based on economic conditions; geographic density (e.g., the quantity of appealing housing just outside of city limits); housing availability; and other police and general considerations related to city life, described above.

More police officers living in the city could reduce crime and increase citizen satisfaction.

Police officers living locally should lead to some *crime reduction*, as evidenced from national-, city-, and neighborhood-based studies. This could happen primarily through deterrence and better information collection.

- Local living produces the appearance of increased police presence,

by virtue of a police officer using a police vehicle while driving around the neighborhood, or to and from work. As an officer in Atlanta put it, “My presence causes crooks to reconsider stepping into my apartment complex.”

- Residents might be more likely to turn in suspicious activity. As one observer said, “I may not call 911 to share my suspicion, but I could go talk to my neighbor who is a police officer.”
- Living locally may increase residents’ trust with that officer, which may lead to developing a broader or more accurate network of informants.

It should be noted that the deterrent effect from police living locally is likely to be limited to a small geographic area, such as the block on which the police officer lives. One study of the impact of police officers in Buenos Aires, for example, found that crime is only reduced on the same block where the officer is stationed.

Increasing the number of police officers living locally should also increase *citizen satisfaction*, as trust-based relationships are built through more frequent and casual interactions caused by proximity. In this light, police housing incentives are a tactic to help achieve community policing. This would be the case in addition to existing community-policing tactics. For example, if a city has police officers using community-policing tactics on an eight-hour shift, then local living would expand the number of hours per officer performing community policing-related activities. As the National Crime Prevention Council noted, “Community policing generates trust, which leads to effective

communication, which leads to relationship and partnership building, which leads to greater flexibility and range of solutions, which leads to greater success!" [Slightly paraphrased for readability.]

Baltimore should consider several design considerations for future police housing incentives.

Interviews with Baltimore-based and other police officers, housing practitioners, and experts, along with a review of available literature, suggest that several elements should be considered if the city explores expanding police housing incentives.

If any of these initiatives are expanded or pursued, then specific program design and implementation factors should be specifically modeled (i.e., size of incentive, relative cost of housing, publicity and promotion, ease of use, or other factors) to optimize utilization.

First, expand general police housing incentives that connect police officers to housing opportunities.

As noted above, housing incentives can be *individual* (e.g., specific financial assistance to a particular police officer) or *general* (e.g., providing assistance to multiple police officers). The cost of general housing incentives are staff time, marketing materials, and information tools (such as a website that maps available opportunities). Baltimore should consider continuing or expanding the following general housing incentives.

Police Housing Fairs, such as the one recently conducted, should be scheduled to connect BPD staff, especially new recruits, with opportunities

to live in the city.

Additional apartment-building owners should be encouraged to expand "courtesy units" to BPD staff and provide rental units at a discount. The benefit to owners is that they may advertise to other potential residents that police officers live in the building. This information should be comprehensively tracked and shared aggressively with officers.

The focus of the general incentives should be new recruits, as they are most likely to be receptive, but the program should also be open to other officers considering a housing change. The cost of the program, especially during a pilot phase, would be limited to a portion of a program manager's time.



Police officers living locally should lead to some crime reduction, as evidenced from national-, city-, and neighborhood-based studies.



Second, share information about existing and future police housing incentives more broadly.

Multiple housing incentives already exist, but not all police officers may be aware of every opportunity. Baltimore City should consider the following:

Name a "point person" who is

available to answer all housing-related questions from police officers.

Task that point person with summarizing data on police housing incentives, such as the number of available courtesy apartments and the number of officers taking advantage of that opportunity. This should also include the tracking of relevant information to understand changes over time (e.g., the percentage of new recruits who own vs. rent, in or outside of the City, and the overall allocation of owners vs. renters in the department). This should also include helping police officers make the "rent vs. buy" calculation.

Encourage trusted stakeholders, such as the Fraternal Order of Police, to connect police officers with that point person.

A "one-stop shopping" approach—including the comprehensive collection of available opportunities and distribution of that information in multiple formats (e.g., a website and a "go-to" contact person)—will make it easier for police officers to decide to live in the city. If such a "one-stop shopping" approach is considered, then a potential location for that function could be Live Baltimore, given its current role in encouraging city living.

Third, if individual incentives are considered, target them to "middle" neighborhoods and clustered housing, and explore educational and home improvement assistance.

If individualized housing incentives are pursued, several design elements are recommended to maximize impact.

Incentives should be aimed at middle-market and middle-market stressed neighborhoods to help maintain or strengthen those communities. "Stronger" neighborhoods—regional

choice and middle-market choice—have less need for strengthening, and so the “bang for the buck” would be lower. By contrast, distressed neighborhoods would be unlikely to attract new police officers based on local and national feedback. As one police officer said, “a \$5,000 discount [Vacants to Value program] is not enough to convince me to live [in a stressed neighborhood].”

Also, the City should explore efforts to “cluster” housing incentives, perhaps in conjunction with other health and safety workers and teachers, to increase the likelihood that blocks of homes or apartments will be inhabited by these professionals. Preliminary evidence suggests having fellow professionals living in the neighborhood increases the attractiveness to police officers. Baltimore has already begun to explore these opportunities in collaboration with private-sector developers (e.g., Manekin’s Union Mill property for teachers, and the new Remington/Charles Village project).

Increasing access to quality education options is also a potential obstacle. As noted above, school quality is seen as a barrier to police officers living within a city, not only in Baltimore but also elsewhere in the country. A housing incentive program may consider providing police officers with discounts to private and parochial schools, which are perceived by some to be of higher quality. Another suggested idea was to provide priority access to selected charter schools for police officers’ children.

Finally, housing improvement assistance, such as those that provide favorable terms on loans for home renovations, could be considered, as

they would allow police officers to remain in their homes in the city longer while their families expand, or to otherwise generally improve existing housing stock.

Individualized incentives such as these would be complementary to a police-specific general/inventory management approach described above. For example, a program manager could encourage private-sector developers and owners to provide discounts on rental units in apartment complexes in middle-market and middle-market stressed neighborhoods, and then provide information and community tours to new recruits about those options.

Fourth, look to private-sector contributions to fund the programs.

As noted above, Baltimore City already has several housing incentive programs in effect, some of which are funded by federal, nonprofit, and private-sector sources.

If a police housing incentive is explored, the City should also look to fund these measures through a similar mix of programming. There are two reasons, however, that private-sector sources may be a strong potential

source for funding. The first reason is empirical: In other cities, such as Atlanta, the business community has funded the police housing incentives directly, via stipends to officers in specific neighborhoods. In the Baltimore area, too, discounts on police housing are also provided by private businesses—in particular, the courtesy apartments available in Baltimore City and Baltimore County.

The second reason is theoretical. As noted above, the deterrent effect from police officers living locally is likely to be heavily concentrated in a very small geographic area, such as the block on which the police officer lives. The benefits, then, of a housing incentive could be sufficiently concentrated that businesses may be willing to make an “investment.”

Specifically, the City should consider the following:

- As stated above, encourage apartment-building owners to provide additional “courtesy units” to the BPD staff.
- Encourage other private-sector financial incentives, such as downtown hotel discounts to new recruits who are visiting Baltimore.

Matt Van Itallie is a Baltimore-based management consultant. His work focuses on the intersection of the public and private sectors, including health care, urban education, and technology transfer. Mr. Van Itallie served as Chief Accountability Officer at Baltimore City Public Schools and as the Regional Director, Growth and Sustainability, at KIPP Foundation. Previously, he served as Management Consultant at McKinsey and Co. and Public Financial Management, where he served in local, state, and federal governments as well as health-care and financial services organizations. He received his B.A. from Swarthmore, and his J.D. from Harvard.

Mr. Van Itallie’s full report can be accessed on The Abell Foundation’s website: www.abell.org.

ABELL SALUTES

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with Jump Start, a program offered by Job Opportunities Task Force. The next day, he did, at Our Daily Bread, located at 725 Fallsway.

Parnell was accepted into the program and started attending classes, two nights a week, Mondays and Wednesdays, at 1212 North Wolfe Street. Kate McShane, placement director of apprenticeship at JOTF says, “Parnell had a wonderful attitude. He worked hard and accomplished much. He was a perfect student. He learned construction safety, and became certified in first aid and CPR and certain skills one needs to learn, to work in the construction trades. He graduated in August 2011. We got him a job with Cross Street Partners, at Tide Point. In his job, he is basically involved in property maintenance. He makes \$13.39 an hour.

“His story is one of our best success stories – we have a lot of them.”

The mission of the Job Opportunities Task Force is to develop and advocate policies and programs to increase the skills, job opportunities, and incomes of low-skill, low-income workers and job seekers. According to its literature: “We seek to integrate workforce development with economic and community development, and to respond to the workforce needs of both employers and job seekers. We bring together various components of the workforce system – employers, workers, job seekers, educators, trainers, service providers, public administrators, and policymakers – to identify what works, what needs to be changed, and how to improve outcomes.”

JOTF’s most intensive efforts

have been within the construction industry, to help low-income workers obtain entry-level construction jobs and give them the skills to enter apprenticeships. The 13-week hands-on training program, started in January 2006, has trained approximately 400 low-income residents, and has achieved an 80 percent placement rate. Employed graduates have experienced a 60 percent wage gain in the first year after graduation. In addition to the construction-specific training, graduates receive free driver’s education, assistance obtaining a driver’s license and car through Vehicles for Change for those who have obtained employment. Cost per trainee is \$4,000. JumpStart is only open to Baltimore City residents who have a high school diploma or GED, and prospective students must pass a math test to ensure that participants enter the training with enough basic math skills to successfully complete training.

The mission of the JOTF is to develop and advocate policies and programs to increase skills, job opportunities, incomes of low-skill, low-income workers and job seekers.

JOTF played an active advocacy role in the passage of three bills this year in the Maryland General Assembly, all designed to support increased opportunity for employment:

Driver’s Licensing Requirements for Adults. A bill to reduce barriers to driver’s licensing for working adults was signed by Governor O’Malley on May 2, 2012. Until now, Maryland

was the only state in the nation to require new drivers of all ages to complete the same onerous education and practice requirements, creating tremendous barriers to mobility and employment for low-income adults. Under the new law, for adults 25 and older the 60-hour practice rule will be reduced to 14 hours and the time for holding a provisional license will drop from 9 months to 45 days. **Transportation Funding for Job Training.** As a member of the state’s Fair Development Campaign, JOTF was actively engaged in advocating for legislation to require the Maryland Department of Transportation to dedicate one-half of 1 percent of federal transportation funds to workforce training. With the bill’s passage, Maryland will become the second state in the nation to permanently commit the .5% to job training and to ensure ongoing monitoring of the spending. **Child Support Suspension for Incarcerated Obligor.** When the new law takes effect, individuals who are sentenced to at least 18 consecutive months of imprisonment and do not have the financial capacity to pay will have their child support order automatically suspended upon incarceration.

Today, Parnell Hall is a productive and responsible citizen – and comfortable in his new life. He says, “I have a good job, with a future. I have a new wife. We have a home of our own. We live in a nice neighborhood, on Bayonne Avenue. We have a car. I am a happy man. And, I know, I owe it all to Jump Start.” And then, to underscore his understanding of his good fortune, he says with a wink, “Everybody can use a little jump start in their life.”

Parnell had caught the right bus.